



File

MAPLE LEAF GARDENS LIMITED

THIRTY-FIFTH ANNUAL REPORT

For the year ended August 31, 1966

Directors' Report to the Shareholders of
MAPLE LEAF GARDENS LIMITED:

Your Board of Directors takes pleasure in submitting to you the financial statements of the company for the fiscal year ended August 31, 1966. In this report we would like to comment on some of the highlights of the company's activities during the year.

The net profit for the year was \$829,993 or \$1.13 per share. These earnings are the second highest in the company's history, being exceeded only by those of last year.

During the year the company's interest in the Monroe Hockey Club in Rochester was sold and the gain on the sale of \$363,829 has been reflected in the earned surplus account. This Club will, however, continue as a source of potential players for the Maple Leaf Hockey Club. The Victoria Maple Leaf and Tulsa Hockey Clubs had successful seasons and the financial results of their operations have also been included in the accounts of Maple Leaf Gardens Limited.

With the future expansion of the National Hockey League, it is anticipated that interest in professional hockey will continue to grow. To meet this demand, additional seats have been installed in the Gardens to bring our seating capacity to 15,461. As in all other fields, our costs have been increasing, and we have found it necessary to increase the price of tickets for professional hockey for the 1966-67 season.

The number of other sports and entertainment attractions available for the Gardens declined somewhat during the year and as a consequence there was a decrease in our miscellaneous arena rental income. We are continually looking for suitable attractions to maintain our reputation as an important entertainment centre.

Your directors continue to maintain the Gardens in excellent condition. You will be interested to know that the new hockey time clock was designed and built entirely by Gardens personnel.

As noted in the accompanying accounts, the capital of the company was re-divided during the year on a five for one basis and dividends of 60c per share were paid on the new shares. This is equivalent to \$3.00 per share on the old basis as compared with \$2.00 per share in the previous year.

During the year the Board lost two valued members in the death of Mr. N. C. Urquhart and the resignation of Mr. Conn Smythe. Mr. Smythe was one of the principal founders of Maple Leaf Gardens and its president for many years.

The directors wish to acknowledge their appreciation of the continued loyal and efficient service of the company's officers and employees during the past year.

On behalf of the directors:

C. STAFFORD SMYTHE,

President.

Toronto, October 31, 1966.

MAPLE LEAF G

CONSOLIDATED BALANCE

(with comparative figures)

ASSETS

	August 31	
	1966	1965
CURRENT ASSETS:		
Cash, including interest bearing deposits.....	\$1,633,487	\$1,727,224
Investment in short-term securities.....	100,000	150,000
Investment in marketable securities, at cost (quoted market value 1966 — \$849,000; 1965 — \$911,500).....	255,802	255,802
Accounts receivable.....	179,678	180,522
Mortgage payments due within one year.....	7,000	17,000
Cash surrender value of life insurance policies.....	77,550	93,635
Prepaid expenses.....	53,101	61,915
	<u>2,306,618</u>	<u>2,486,098</u>
LESS — Advance ticket sales and subscriptions.....	1,359,742	1,133,920
	<u>946,876</u>	<u>1,352,178</u>
OTHER ASSETS:		
Mortgages receivable, payments due after one year.....	7,000	34,000
Deposits.....	21,095	19,654
Special refundable corporation tax.....	14,276	—
Investment in secured notes of a company in receivership, less provision for estimated loss.....	90,000	120,000
	<u>132,371</u>	<u>173,654</u>
PROPERTY, at cost:		
Buildings and equipment.....	3,280,885	2,780,855
LESS — Accumulated depreciation.....	1,742,948	1,673,085
	<u>1,537,937</u>	<u>1,107,770</u>
Land.....	939,483	506,046
	<u>2,477,420</u>	<u>1,613,816</u>
FRANCHISES AND CONTRACTS	100,001	100,001
	<u>\$3,656,668</u>	<u>\$3,239,649</u>

AUDITOR

To the Shareholders of
Maple Leaf Gardens Limited:

We have examined the consolidated balance sheet of Maple Leaf Gardens Limited and its consolidated statement of profit and loss and earned surplus for the year ended August 31, 1966, and the procedures and such tests of accounting records and other supporting evidence as we considered necessary.

In our opinion, the accompanying consolidated balance sheet and related financial position of the companies as at August 31, 1966 and the results of their operations for the year ended August 31, 1966, are in accordance with the accounting principles applied on a basis consistent with that of the preceding year.

Toronto, October 31, 1966.

DENS LIMITED

ET — AUGUST 31, 1966

s at August 31, 1965)

LIABILITIES

	1966	AUGUST 31 1965
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities.....	\$ 334,558	\$ 273,196
Income taxes payable.....	311,128	704,160
	<u>645,686</u>	<u>977,356</u>
MINORITY INTEREST IN A SUBSIDIARY.....	<u>—</u>	<u>3,785</u>
CAPITAL STOCK AND SURPLUS:		
Capital stock (Note) —		
Authorized — 1,000,000 shares without nominal or par value (200,000 shares in 1965)		
Issued — 735,580 shares (147,116 in 1965).....	36,779	36,779
Earned surplus, per statement attached.....	2,974,203	2,221,729
	<u>3,010,982</u>	<u>2,258,508</u>

NOTE: During the year ended August 31, 1966, the capital of the company was redivided on a 5 for 1 basis.

APPROVED ON BEHALF OF THE BOARD:

C. STAFFORD SMYTHE, Director

HAROLD E. BALLARD, Director

<u>\$3,656,668</u>	<u>\$3,239,649</u>
--------------------	--------------------

REPORT

Limited and its subsidiary company as at August 31, 1966 and the related n that date. Our examination included a general review of the accounting ve considered necessary in the circumstances.

nsolidated statement of profit and loss and earned surplus present fairly the rations for the year ended on that date, in accordance with generally accepted r.

PRICE WATERHOUSE & CO.,
Chartered Accountants.

RDENS LIMITED

HEET — AUGUST 31, 1967

res as at August 31, 1966)

LIABILITIES

	August 31	
	1967	1966
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 205,051	\$ 334,558
Income taxes payable	502,509	311,128
	<u>707,560</u>	<u>645,686</u>
MORTGAGE PAYABLE:		
7½% due in monthly instalments to February 5, 1976	37,924	—
CAPITAL STOCK AND SURPLUS:		
Capital stock —		
Authorized — 1,000,000 shares without nominal or par value		
Issued — 735,580 shares	36,779	36,779
Earned surplus, per statement attached	3,851,183	2,974,203
	<u>3,887,962</u>	<u>3,010,982</u>

APPROVED ON BEHALF OF THE BOARD:

C. STAFFORD SMYTHE, Director

HAROLD E. BALLARD, Director

\$4,633,446

\$3,656,668

REPORT

limited and its subsidiary company as at August 31, 1967 and the consolidated
king capital for the year then ended. Our examination included a general review
rting evidence as we considered necessary in the circumstances.

of the companies as at August 31, 1967 and the results of their operations and
with generally accepted accounting principles applied on a basis consistent with

PRICE WATERHOUSE & CO.,
Chartered Accountants.

MAPLE LEAF GARDENS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS FOR THE YEAR ENDED AUGUST 31, 1967

(with comparative figures as at August 31, 1966)

	YEAR ENDED AUGUST 31	
	1967	1966
PROFIT AND LOSS		
Gross revenue from operations including companies' share of receipts from attractions promoted by others	\$6,594,704	\$6,409,419
Revenue from operations after deducting operating expenses but before providing for executive remuneration, depreciation and income taxes	\$2,211,347	\$1,926,959
Income from investments, less provision in 1966 for possible loss on an investment	78,259	48,632
	<u>2,289,606</u>	<u>1,975,591</u>
<i>Deduct:</i>		
Executive remuneration	169,750	155,666
Provision for depreciation	171,150	127,532
Provision for income taxes	1,048,000	861,829
	<u>1,388,900</u>	<u>1,145,027</u>
	<u>900,706</u>	<u>830,564</u>
Minority interest in profits of a subsidiary company	—	571
<i>Net profit for the year</i>	<u>\$ 900,706</u>	<u>\$ 829,993</u>
EARNED SURPLUS		
Balance at beginning of year	\$2,974,203	\$2,221,729
<i>Add:</i>		
Net profit for the year	900,706	829,993
Proceeds from sale of National Hockey League franchise rights (Note 1)	2,160,000	—
Gain on sale of the Victoria Maple Leaf Hockey Club (Note 2)	96,572	—
Gain on sale of a subsidiary company	—	363,829
	<u>6,131,481</u>	<u>3,415,551</u>
<i>Deduct — Dividends paid:</i>		
Regular	441,348	441,348
Special	1,838,950	—
	<u>2,280,298</u>	<u>441,348</u>
<i>Balance at end of year</i>	<u>\$3,851,183</u>	<u>\$2,974,203</u>

MAPLE LEAF GARDENS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS FOR THE YEAR ENDED AUGUST 31, 1966

(with comparative figures as at August 31, 1965)

	YEAR ENDED AUGUST 31	
	1966	1965
<u>PROFIT AND LOSS</u>		
Revenue from operations after deducting operating expenses but before providing for depreciation and income taxes.....	\$1,771,293	\$1,895,887
Income from investments, less provision for possible loss on an investment.....	48,632	42,627
	<u>1,819,925</u>	<u>1,938,514</u>
<i>Deduct:</i>		
Provision for depreciation.....	127,532	101,408
Provision for income taxes.....	861,829	914,502
	<u>989,361</u>	<u>1,015,910</u>
	830,564	922,604
Minority interest in profits of a subsidiary company.....	571	1,706
Net profit for the year.....	<u>\$ 829,993</u>	<u>\$ 920,898</u>
<u>EARNED SURPLUS</u>		
Balance at beginning of year.....	\$2,221,729	\$1,595,063
<i>Add:</i>		
Net profit for the year.....	829,993	920,898
Gain on sale of a subsidiary company.....	363,829	—
	<u>3,415,551</u>	<u>2,515,961</u>
<i>Deduct — Dividends paid</i>	441,348	294,232
Balance at end of year.....	<u>\$2,974,203</u>	<u>\$2,221,729</u>